Labour Market Bulletin

Northwest Territories, Nunavut and Yukon

April 2018

This Labour Market Bulletin provides an analysis of Labour Force Survey results for all three of Canada's territories, including the Northwest Territories, Nunavut and Yukon.

OVERVIEW

As of April 2018, 54,400 people were working in Northwest Territories (NWT), Nunavut and Yukon, representing a slight decrease of 0.4% (-200) from March. This decrease resulted entirely from a decline in part-time employment (-600) and was partially offset by a gain in full-time work (+400). Employment levels in the Northwest Territories remained unchanged in April, while Nunavut and Yukon experienced marginal decreases of 0.8% and 1% respectively.

Year-over-year, employment across the Territories fell 2.0%, representing a decrease of 1,100 in the number of people employed. The change reflects a decline in the number of people working full-time (-400) and in the number of people working part-time (-700). Employment levels in Yukon were unchanged on a yearly basis, while the number of people employed in Nunavut and Northwest Territories dropped considerably over the year, down 2.3% and 4.2% respectively.

Unemployment

The unemployment rate for the combined Territories decreased for a third consecutive month, dropping to 6.8% in April – the lowest it has been since March 2009. On an annual basis, the unemployment rate decreased both in Nunavut and in Yukon, falling to 11.8% and 2.3% respectively. By contrast, Northwest Territories' unemployment rate increased considerably, up 2.7 percentage points to 8.0%.

For the combined Territories, the unemployment rate for youth (15 to 24 years) was 15.1% in April, representing a decrease of 0.9 percentage points from the month prior. Year-over-year, the unemployment rate for this age group is down 1.6 percentage points. The unemployment rate for young men fell 3.8 percentage points to 18.9%, while the unemployment rate for young women increased 1.1 percentage points

to 11.1% over the year. Nunavut continues to have the highest youth unemployment rate across the country, with its unemployment rate for young men sitting at 27.5%.

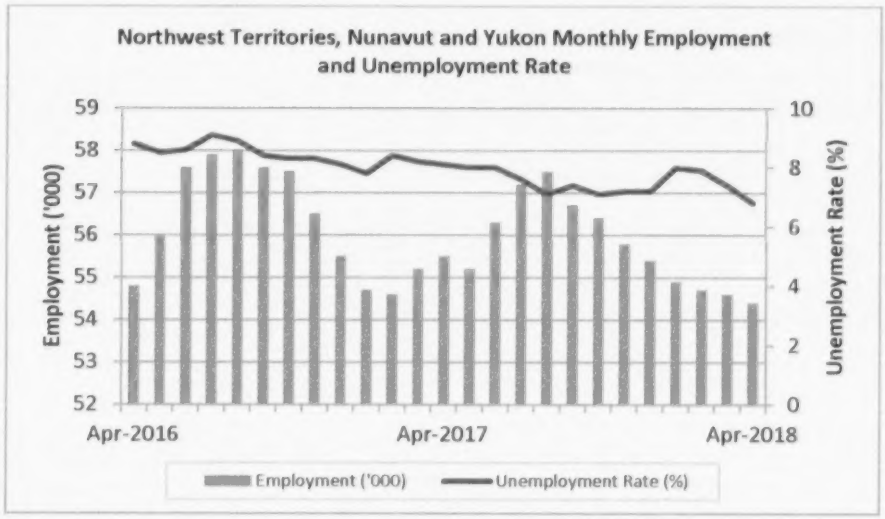
Northwest Territories, Nunavut and Yukon* Monthly Labour Force Statistics

Seasonally Unadjusted Data	April 2018	March 2018	April 2017	Monthly Variation		Yearly Variation	
				Number	%	Number	%
Population 15 + ('000)	86.3	86.2	85.1	0.1	0.1	1.2	1.4
Labour Force ('000)	58.4	59.1	60.3	-0.7	-1.2	-1.9	-3.2
Employment ('000)	54.4	54.6	55.5	-0.2	-0.4	-1.1	-2.0
Full-Time ('000)	46.7	46.3	47.1	0.4	0.9	-0.4	-0.8
Part-Time ('000)	7.7	8.3	8.4	-0.6	-7.2	-0.7	-8.3
Unemployment ('000)	4.0	4.4	4.9	-0.4	-9.1	-0.9	-18.4
Unemployment Rate (%)	6.8	7.4	8.1	-0.6	-	-1.3	-
Participation Rate (%)	67.7	68.6	70.9	-0.9	-	-3.2	-
Employment Rate (%)	63.0	63.3	65.2	-0.3	-	-2.2	-

**Combined data - three month moving average*

Note: Totals may not add due to rounding

Source: Statistics Canada Labour Force Survey



Northwest Territories, Nunavut and Yukon* Monthly Unemployment Rates, by Gender and Age

Seasonally Unadjusted Data	April 2018 (%)	March 2018 (%)	April 2017 (%)	Monthly Variation (% points)	Yearly Variation (% points)
Total	6.8	7.4	8.1	-0.6	-1.3
25 years and over	5.7	6.2	6.7	-0.5	-1.0
Men - 25 years and over	7.2	8.2	8.2	-1.0	-1.0
Women - 25 years and over	4.0	4.0	4.8	0.0	-0.8
15 to 24 years	15.1	16.0	16.7	-0.9	-1.6
Men - 15 to 24 years	18.9	18.9	22.7	0.0	-3.8
Women - 15 to 24 years	11.1	15.8	10.0	-4.7	1.1

**Combined data - three month moving average*

Note: Totals may not add due to rounding

Source: Statistics Canada Labour Force Survey

EMPLOYMENT BY INDUSTRY

In April, 100 fewer people were working in the Territories' goods-producing sector compared to the previous month. Losses in the construction industry offset employment gains the in the mining industry. On a yearly basis, employment in the goods-producing is down 2.9%, meaning 200 fewer people were employed in April compared to the same period last year. This setback can be mainly attributed to employment loses in the construction industry, down 18.4% (-700) over the year.

Nonetheless, employment prospects for the goods-producing sector should improve as many mining exploration, and construction projects are expected to start over the short-term. For example, Nighthawk Gold Corp. recently announced to significantly expand its mostly underexplored Indin Lake Gold property located 200 kilometres north of Yellowknife in the Northwest Territories. The $25.1 million field exploration project will begin this summer.[1] Moreover, ATAC Resources Ltd., in partnership with Barrick Gold Corporation, also announced a combined $13 million of exploration budget to proceed with their 2018 drilling program at the Rackla gold property in Yukon.[2] ATAC estimates that about 50 jobs will be created during the drilling process this year.[3]

The services-producing sector also lost ground in April, with employment decreasing 0.8% to 47,500 on a monthly basis. The largest declines occurred in accommodation and food services (-300) and educational services (-200). On an annual basis, employment in the services-sector fell significantly over the year, down 2.1%. Transportation and warehousing posted the largest declines (-900), while employment in accommodation and food services industry also fell 700 on the year.

Looking ahead, the outlook for the services-producing sector is optimistic over the medium-term. Funding from all levels of government for infrastructure projects such as roads, hospitals, schools and new seaport facilities will help to support growth in the services sector. For instance, the federal government is investing $94.3 million over five years under its Oceans Protection Plan to support the operations of Marine Transportation Services and upgrade sealift infrastructure across the Arctic.[4] Both Nunavut and the Northwest Territories governments will be responsible for developing funding proposals in consultation with local communities,

Indigenous groups, and stakeholders for these projects. New infrastructure might include cargo lay-down areas, mooring bollards and anchors, and breakwaters and sealift ramps.[5]

Northwest Territories, Nunavut and Yukon* Monthly Labour Force Statistics, by Industry

Seasonally Unadjusted Data	April 2018	March 2018	April 2017	Monthly Variation		Yearly Variation	
				Number	%	Number	%
Total employed, all industries	54.3	54.6	55.5	-0.3	-0.5	-1.2	-2.2
Goods-producing sector	6.8	6.9	7.0	-0.1	-1.4	-0.2	-2.9
Agriculture	0.0	0.0	0.0	0.0	-	0.0	-
Forestry, fishing, mining, quarrying, oil and gas	2.5	2.2	2.2	0.3	13.6	0.3	13.6
Utilities	0.9	0.9	0.5	0.0	0.0	0.4	80.0
Construction	3.1	3.2	3.8	-0.1	-3.1	-0.7	-18.4
Manufacturing	0.2	0.2	0.2	0.0	0.0	0.0	0.0
Services-producing sector	47.5	47.9	48.5	-0.4	-0.8	-1.0	-2.1
Trade	6.1	6.0	6.2	0.1	1.7	-0.1	-1.6
Transportation and warehousing	2.7	2.8	3.6	-0.1	-3.6	-0.9	-25.0
Finance, insurance, real estate and leasing	2.0	2.1	2.2	-0.1	-4.8	-0.2	-9.1
Professional, scientific and technical services	1.9	1.8	2.4	0.1	5.6	-0.5	-20.8
Business, building and other support services	1.3	1.1	1.0	0.2	18.2	0.3	30.0
Educational services	5.2	5.4	5.6	-0.2	-3.7	-0.4	-7.1
Health care and social assistance	7.8	7.8	6.9	0.0	0.0	0.9	13.0
Information, culture and recreation	3.3	3.3	2.3	0.0	0.0	1.0	43.5
Accommodation and food services	3.3	3.6	4.0	-0.3	-8.3	-0.7	-17.5
Other services	1.7	1.6	1.9	0.1	6.3	-0.2	-10.5
Public administration	12.6	12.4	12.4	0.2	1.6	0.2	1.6

**Combined data - three month moving average*

Note: Totals may not add due to rounding

Source: Statistics Canada Labour Force Survey

REGIONAL ANALYSIS

Yukon

On a monthly basis, Yukon employment dropped 1.0% to 20,800 in April. Losses on the month were entirely due to declining employment in the territory's goods-producing sector (-300). Despite the monthly decrease, Yukon was the only territory across the North that did not see a decline in employment over the year.

Territorial employment is anticipated to advance considerably over the next few years as major mining and infrastructure projects are slated to commence across the Yukon. Mining projects such as the $370 million Victoria Gold's Eagle Gold Project and the $320 million Goldcorp's Coffee Gold Project are expected to create plenty of jobs opportunities for Yukoners.[6]

In addition, the federal and territorial governments recently earmarked a combined total of $594 million in funding to improve infrastructure projects across the territory over the next ten years.[7] The funding, which is coming through the national Investing in Canada plan, will be focused on four key categories: rural and northern communities' infrastructure; green infrastructure; culture and recreation infrastructure; and public transit system. These new infrastructure projects will help to strengthen the territory's economy and communities, as they are expected to create training and job opportunities for residents.[8]

Northwest Territories

Employment in the Northwest Territories was unchanged in April compared to the previous month. Employment gains in the goods-producing sector were offset by losses in the goods-producing sector (-100).

Year-over-year, employment was down 4.2% (-900). Both goods-producing and services-producing sectors posted declines over the year, down 17.6% and 1.6% respectively. Several industries experienced large percentage swings in employment over the year, most notably in professional, scientific and technical services (-20.0%).

According to the Conference Board of Canada, Northwest Territories will be the only territory that is anticipated to see a decline in its real gross domestic product (GDP) this year (-2.9%).[9] With diamond production from the Gahcho Kué and Divaik diamond mines expected to fall starting this year, and no new mines coming online over the next three years, growth in the NWT's mining sector will be flat until Canadian Zinc's Prairie Creek mine opens in late 2020.[10] Consequently, employment growth in many mining-related industries such as construction, trade and transportation will be adversely affected over the next two years.

Nunavut

Nunavut employment fell 0.8% to 12,800 on a monthly basis, due entirely to losses in the services-producing sector. On an annual basis, employment in the territory was down 2.3% (-300). The losses resulted entirely from falling employment in the services-producing sector (-4.2%), with significant declines in transportation and warehousing, and public administration.

Nunavut's short-term economic performance is anticipated to be positive as a number of private and public construction projects are scheduled to begin the in the next two years. For example, The Government of Nunavut has approved Qulliq Energy Corporation (QEC) to build a new power plant to replace a 50-year old existing plant in Kugluktuk. QEC estimated that the new facility will cost $31.4 million to build, with a projected lifespan of 40 years. Construction is scheduled to begin in 2019 and the new plant should be operational by 2021. The plant is expected to generate fewer carbon emissions and be adaptable to the integration of solar and wind energy sources in the future.[11]

Also, the territory's services-producing sector should also see some growth as more funding from all levels of government in health care and educational services initiatives will help to create employment opportunities in these sectors. For instance, the Government of Canada is investing $4 million in funding over three years to support Inuit student participation in a training program for community support workers and management trainees in Iqaluit.[12]

Northwest Territories, Nunavut and Yukon* Monthly Labour Force Statistics, by Economic Region

Seasonally Unadjusted Data	Employment			Unemployment Rate		
	April 2018 ('000)	April 2017 ('000)	Yearly Variation (%)	April 2018 (%)	April 2017 (%)	Yearly Variation (% points)
Territories*	54.4	55.5	-2.0	6.8	8.1	-1.3
Northwest Territories	20.7	21.6	-4.2	8.0	5.3	2.7
Nunavut	12.8	13.1	-2.3	11.8	16.9	-5.1
Yukon	20.8	20.8	0.0	2.3	4.6	-2.3

**Combined data - three month moving average*

Note: Totals may not add due to rounding

Source: Statistics Canada Labour Force Survey

Note: *In preparing this document, the authors have taken care to provide clients with labour market information that is timely and accurate at the time of publication. Since labour market conditions are dynamic, some of the information presented here may have changed since this document was published. Users are encouraged to also refer to other sources for additional information on the local economy and labour market. Information contained in this document does not necessarily reflect official policies of Employment and Social Development Canada.*

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For information on the Labour Force Survey*, please visit the Statistics Canada Web site at: www.statcan.gc.ca*

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[1] Nighthawk Gold Corp., Nighthawk reports new gold discoveries within its Indin Lake Gold property, April, 2018. http://www.nighthawkgold.com/_resources/news/2018-04-12.pdf

[2] CBC News, ATAC Resources rebounds with expanded Yukon exploration plan, April 09, 2018. http://www.cbc.ca/news/canada/north/yukon-mining-atac-rackla-project-1.4609149

[3] Ibid

[4] Government of Northwest Territories, Wally Schumann: Federal Infrastructure Funding, March 7, 2018. http://www.gov.nt.ca/newsroom/news/wally-schumann-federal-infrastructure-funding

[5] Nunatsiaq News, Ottawa spend $94.3M on better Artic sealift infrastructure, April 21, 2018. http://nunatsiaq.com/stories/article/65674ottawa_puts_94.3m_to_improve_arctic_re-supply/

[6] Conference Board of Canada, Territorial Outlook Economic Forecast, Spring 2018. http://www.conferenceboard.ca/e-library/abstract.aspx?did=9566

[7] CBC News, Feds put up hundreds of millions of dollars for Yukon infrastructure projects, May 03, 2018.

http://www.cbc.ca/news/canada/north/yukon-infrastructure-federal-1.4646979

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[9] Ibid

[10] Ibid

[11] Nunatsiaq News, Nunavut minister says yes to new $31.4M Kugluktuk power plant, March 20, 2018.
http://nunatsiaq.com/stories/article/65674nunavut_power_utility_says_yes_to_new_31.4m_kugluktuk_plant/

[12] CBC News, New Inuit program launches to prevent community support workers from quitting, April 27, 2018.
http://www.cbc.ca/news/canada/north/inuit-community-support-workers-training-1.4637350